MEMORANDUM

To: Board of Regents

From: Board Office

Date: March 6, 2000

Re: Retention and Graduation Rates Policy

Recommended Action:

Approve the statement on diversity and the policy on retention as set forth on page 8 of the memorandum, including, as contained in this memorandum, the targets for 2-year retention rates and 6-year graduation rates of minority students at Regent universities.

Executive Summary:

During the 1998-99 academic year, the Board of Regents Diversity Priority Study Group conducted an extensive review of enrollment, retention, and graduation rates at Regent universities. The data from prior governance reports were examined by race/ethnicity for each of the universities from 1986 to the present.

After reviewing the data at several meetings, the Diversity Priority Study Group concluded that (1) the enrollment of minority students at the Regent universities is not yet at the level that signifies a diverse student population, and (2) there is a substantial difference between the retention and graduation rates of minority students and the retention and graduation rates of majority students.

In April 1999, the Diversity Priority Study Group proposed a modification to the Regent policy on diversity intended to improve the two-year retention and six-year graduation rates of undergraduate minority students at the Regent universities. The proposal would increase the goals for retention in the following manner:

 Examine the two-year retention rate and the six-year graduation rate for each university as of a fixed time period, e.g., Fall 1996 for retention and Fall 1992 for graduation; and 2. Establish targets for each university which would increase the rate for the minority groups to the majority rate or to a rate which would be 10 percentage points higher than the actual minority baseline rate (as indicated in #1 above), whichever rate is less.

During the past several months, the Board Office and universities conducted a review of the modification proposed in April and recommend, in lieu of a fixed baseline year (e.g., 1996/1992), that a rolling baseline be used in the revised policy. This modification would address the two-year retention and six-year graduation rates by establishing the targets as indicated above but would also utilize (a) the most recent available data, and (b) more data, i.e., 3-year average vs. 1-year.

The most recent data will be obtained each Fall for retention and graduation with a rolling three-year rate average as the baseline. The use of a three-year rate average "smoothes" out the variations which may occur from one year to the next and precludes using a baseline year that may be unusually high or low for certain minority retention and graduation rates. No other changes are proposed in the policy reviewed and approved by the Diversity Priority Study Group in April.

Background:

There is a growing awareness that institutions of higher education must endeavor to create environments which reflect the racial/ethnic composition of society and which prepare graduates to be successful in that cultural and economic milieu.

National Commitments to Diversity

The President of the Association of Governing Boards of Universities and Colleges, Richard Ingram, recently issued a statement on the importance of diversity in higher education. His statement was endorsed by a number of associations, including the American Association of University Professors and the American Association for Higher Education. The statement emphasizes that diversity in colleges and universities is important if these institutions are to fulfill their primary mission: providing a quality education. The statement also highlights fundamental benefits of diversity:

"Diversity enriches the educational experience, promotes personal growth and a healthy society, strengthens communities and the workplace, and enhances America's competitiveness."

The University of Wisconsin System recently developed a ten-year diversity plan based on the belief that a public university must serve *all* the people of the state, and must lead the way in increasing educational opportunity for targeted racial and ethnic groups. The UW System Plan centers on raising expectations, raising hopes, and opening doors to all young people. The Plan focuses on hiring, precollege recruitment, retention and graduation of individuals from racial and ethnic minority groups. Two of the goals included in the plan are designed to close the gap in educational achievement, by bringing retention and graduation rates for students of color in line with those of the student body as a whole and foster institutional environments and course development that enhance learning and respect for racial and ethnic diversity."

According to a recent study conducted at the University of Michigan, college students who experience the most racial and ethnic diversity in classrooms and during interactions on campus become better learners and more effective citizens. In her study of college students and diversity, Professor Patricia Gurin showed that both non-minority and minority students learn better when the learning takes place in a setting where they are confronted with others who are different than themselves. Professor Gurin found that when young people are placed in racially and ethnically diverse classrooms and are exposed to classes that deal with cultural differences, they "blossom intellectually" when long-held beliefs and ideas are challenged. Furthermore, these students develop the ability to understand the ideas and feelings of others, which in later life makes them more likely to live in racially diverse communities, maintain friendships with people of different races and able to function more effectively in an increasingly diverse workplace.

State Commitments to Diversity

The State of Iowa officially expressed a commitment to diversity by establishing equal opportunity policies in Iowa Code Chapter 19B, which sets forth guidelines concerning state employment. The State has also provided a framework for achieving student diversity at state postsecondary institutions by establishing policies in Iowa Code Sections 261.101 through 261.110. Section 261.101 identifies the state interest in diversity:

The general assembly finds that the failure of many young lowans to complete their education limits their opportunity for a life of fulfillment and hinders the state's efforts to provide a well-trained work force for business and industry in lowa. The general assembly also declares that it is the policy of this state to apply positive measures to ensure that equal opportunities exist for minority persons to pursue their educational goals. Therefore, the "Iowa Minority Academic Grants for Economic Success" program is

established to provide additional funding to the state board of regents' institutions, community colleges, and accredited private institutions in order to encourage resident minority students to remain in lowa, to attend community colleges, private colleges, and universities in lowa, and to assure that a limited family income will not be a barrier for a minority person to pursue a postsecondary education.

The Minority Academic Grants program is one of many that the State has implemented to assist Iowans in obtaining a college degree. Some of the other programs include the Iowa Hope Loan Program; Iowa Grant Program; Industrial Technology Forgivable Loan Program; Iowa Guaranteed Loan Program; Chiropractic Loan Revolving Fund; and Iowa College Work-Study Program. The Iowa Grant Program, for example, provides financial aid to Iowa residents who have established financial need (with an expected family contribution $\leq \$3,000$) and who attend an Iowa higher education institution.

In addition, through the Minority Teacher Loan Payments program, the legislature has provided financial assistance to racial and ethnic minority persons who graduate from an lowa college or university with a teaching degree, have outstanding debts with eligible lenders, and are employed as full-time teachers in lowa. This loan repayment program provides up to \$6,000 to each eligible student over a six-year period. Not only does the State benefit by obtaining qualified minority teachers but the teachers also benefit by having their college debt reduced or even eliminated.

Regential Commitment to Diversity

The Board of Regents, State of Iowa, recognizes that diversity at the Regent institutions has sound educational value. In fact, the Board has identified diversity as one of ten critical factors that the Board must address in order to succeed in a highly competitive environment. Accordingly, the Board has developed an equal opportunity policy which establishes that equal opportunity will be provided in all aspects of Regent operations to all persons without regard to race, creed, color, religion, sex, national origin, age, status as a veteran of the Vietnam era, or physical or mental disability except where it relates to a bona fide occupational qualification¹.

In addition, the Board of Regents has developed a strategic plan which provides in Key Result Area 3.0.0.0 that the Board will establish policies to encourage continuous improvement of the climate for diversity and to ensure equal educational and employment opportunities. In order to meet its diversity

¹ <u>Iowa Administrative Code</u> 681-7.1(262)

objectives, the Board systematically reviews key performance indicators which provide assurance of progress.

Specifically, there are two diversity-related aspects in the student population which the Board has included in its strategic plan and which are reviewed on an annual basis: (a) the enrollment of minority students at the universities; and (b) the retention of minority students once they gain admission to the universities. Retention has been defined as (1) the number of returning minority students who complete the second year of study at a Regent university, and (2) the number of minority students who graduate within six years of admission.

Institutional Commitment to Diversity

The Regent institutions share a common belief, born of experience, that diversity in their student bodies, faculties, and staff is critical in fulfilling their primary mission: providing a quality education. The public is entitled to know why these institutions believe so strongly that racial and ethnic diversity should be one factor among the many considered in admissions, hiring, and student, faculty, and staff support programs. The reasons include:

- ✓ **Diversity enriches the educational experience.** We learn from those whose experiences, beliefs, and perspectives are different from our own, and these lessons can be taught best in a richly diverse intellectual and social environment.
- ✓ It promotes personal growth and a healthy society. Diversity challenges stereotyped preconceptions; it encourages critical thinking; and it helps students learn to communicate effectively with people of varied backgrounds.
- ✓ It strengthens communities and the workplace. Education within a
 diverse setting prepares students to become good citizens in an
 increasingly complex, pluralistic society; it fosters mutual respect and
 teamwork; and it helps build communities whose members are judged by
 the quality of their character and their contributions.
- ✓ It enhances lowa's and America's economic competitiveness. Sustaining the state's and the nation's prosperity in the 21st century will require us to make effective use of the talents and abilities of all our citizens, in work settings that bring together individuals from diverse backgrounds and cultures.²

_

² These statements are based on the statement adopted by numerous Washington, D.C. based organizations entitled "On the Importance of Diversity in Higher Education, <u>Chronicle of Higher Education</u>, 2/13/98, pg. A48.

Analysis:

During the 1998-99 academic year, the Board of Regents Diversity Priority Study Group conducted an extensive review of enrollment, retention, and graduation rates at Regent universities. The data from prior governance reports were examined by race/ethnicity for each of the universities from 1986 to the present.

After reviewing the data at several meetings, the Diversity Priority Study Group concluded that (1) the enrollment of minority students at the Regent universities is not yet at the level that signifies a diverse student population, and (2) there is a substantial difference between the retention and graduation rates of minority students and the retention and graduation rates of majority students.

In April 1999, the Diversity Priority Study Group proposed a modification to the Regent policy on diversity intended to improve the two-year retention and six-year graduation rates of undergraduate minority students at the Regent universities. The proposal would increase the goals for retention in the following manner:

- √ (1) examine the two-year retention rate and the six-year graduation rate for each university as of a fixed time period, e.g., Fall 1996 for retention and Fall 1992 for graduation; and
- √ (2) establish targets for each university which would increase the rate for the minority groups to the majority rate or to a rate which would be 10 percentage points higher than the actual minority baseline rate (as indicated in #1 above), whichever rate is less.

During the past several months, the Board Office and universities conducted a review of the modification proposed in April and recommend, in lieu of a fixed baseline year (e.g., 1996/1992), that a rolling baseline be used in the revised policy. This modification would address the two-year retention and six-year graduation rates by establishing the targets as indicated above but would also utilize (a) the most recent available data, and (b) more data, i.e., 3-year average vs. 1-year.

The most recent data will be obtained each Fall for retention and graduation with a rolling three-year rate average as the baseline. The use of a three-year rate average "smoothes" out the variations which may occur from one year to the next and precludes using a baseline year that may be unusually high or low for certain minority retention and graduation rates. No other changes are proposed in the policy reviewed and approved by the Diversity Priority Study Group in April.

The underpinnings of this policy are to reduce the gap in educational achievement between majority and minority students, by bringing retention and graduation rates for racial and ethnic minority students in line with those of non-minority students and to foster institutional environments that enhance learning and respect for racial and ethnic diversity. Regent institutions are encouraged to develop and evaluate a variety of strategies for the recruitment and retention of racial and ethnic minority students. The use of cohorts by institutions is appropriate in addressing the Board's policy.

DIVERSITY GOALS AT REGENT UNIVERSITIES

The goal of the Board of Regents is to provide educational opportunities to all citizens of the state and to provide educational experiences which prepare graduates for full participation in today's social and economic environment. Therefore, the Board has adopted the following diversity goals:

ΕN	IROLLMENT
	The target for the enrollment of minority students at each of the Regent universities will continue to be at least 8½% of the total student population. The universities shall include strategies in their respective strategic plans to reach or exceed this target.
RE	TENTION
	For purposes of this Diversity Statement, "retention" shall be defined as (a) the number of returning minority students who complete the second year of study at a Regent university, and (b) the number of minority students who graduate within six years of admission.
	The target for the two-year retention rate for minority students at each of the Regent universities shall be (1) the same as the two-year retention rate of majority students, or (2) an increase of 10 percentage points from a 3-year average at each university as of the last annual measurement of the two-year retention rate and the two prior years, whichever is less.
	The target for the six-year graduation rate of minority students at each of the Regent universities shall be (1) the same as the six-year graduation rate of majority students, or (2) an increase of 10 percentage points from a 3-year average at each university as of the last annual measurement of the six-year graduation rate and the two prior years, whichever is less.
	The universities will attempt to reach and maintain these retention targets as soon as possible, with an expectation of substantial progress on attainment of the two-year retention target by 2002 and the six-year graduation target by 2006.
	The retention targets will apply to the aggregate of all minority students but the universities are urged to focus their efforts on each minority group.

TABLE 1 TWO-YEAR RETENTION RATES

<u>Uses 1997 as the baseline year and 3-year averages</u>. The numbers identified in bold are the targets unless adding 10 percentage points to the actual minority rates is less.

	SUI	Add 10 PP	ISU	Add 10 PP	UNI	Add 10 PP
All students	72.9%		74.3%		73.9%	
White	73.8%		74.9%		74.6%	
African-American	69.5%	79.5%	58.6%	68.6%	51.2%	61.2%
Asian-American	71.3%	81.3%	76.7%	86.7%	69.1%	79.1%
Native American	83.3%	93.3%	62.9%	72.9%	36.7%	46.7%
Hispanic-American	68.6%	78.6%	63.9%	73.9%	59.2%	69.2%

TABLE 2 SIX-YEAR GRADUATION RATES

<u>Uses 1993 as the baseline year and 3-year averages</u>. The numbers identified in bold would be the targets unless adding 10 percentage points to the actual minority rates is less.

	SUI	Add 10 PP	ISU	Add 10 PP	UNI	Add 10 PP
All students	62.9%		60.5%		61.8%	
White	64.3%		62.4%		62.9%	
African-American	41.3%	51.3%	32.3%	42.3%	38.1%	48.1%
Asian-American	61.6%	71.6%	53.3%	63.3%	60.1%	70.1%
Native American	75.6%	85.6%	27.6%	37.6%	38.3%	48.3%
Hispanic-American	50.5%	60.5%	44.1%	54.1%	36.3%	46.3%

	Approved:	
Diana Gonzalez dg/mar00gd14.doc	, , , , , , , , , , , , , , , , , , , ,	Frank J. Stork